

Opinion of the European Economic and Social Committee on ‘Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Shaping Europe’s digital future’

(COM(2020) 67 final)

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(for/against/abstentions)	216/1/3

1. Conclusions and recommendations

1.1. The European Economic and Social Committee (EESC) has already welcomed the Commission's initiatives to facilitate the development of a digital economy and society and is now pleased that this momentum is being reinforced by a package of new initiatives in a wide range of areas.

1.2. The EESC advocates a European path to digitalisation by seizing the opportunities for the economy together with the protection of our data to ensure privacy and self-determination. The human-centred approach of all Commission initiatives is very much welcomed.

1.3. The EESC believes that Europe is on the right track, but the story is far from over. Digitalisation is developing rapidly and European legislation must keep pace. This calls for a sound and ambitious regulatory framework, including legally binding ethical rules and clear rules on liability. The EESC is convinced that such dynamic development also calls for flexible and adaptable processes that require constant dialogue between the parties involved — in particular it should be obligatory for employees to be able to have their say. The EESC, as representative of civil society organisations, is ready to play its part in this.

1.4. It is important to invest in the right future technologies, to promote the training of people and to create trust among citizens, encouraging them to take an active part in the transformation. Digital transition needs to be just, sustainable and socially acceptable.

1.5. The EESC agrees with the Commission's view that we need to build a genuine European single market for data — a European data space based on European rules and values. The EESC welcomes the initiative for a new EU industrial strategy that will set out actions to facilitate the transition towards a more digital, clean, circular and globally competitive EU industry with sustainable companies, including a strategy for SMEs.

1.6. The EESC emphasises that European technological sovereignty should not be defined in opposition to others and should not cancel out the benefits of global cooperation. However, the needs of Europeans and of the European social model, with the EU pillar of social rights as its reference, must also be properly taken into account.

1.7. Education and training that provide digital skills are the key to being prepared for a digital life. The EESC welcomes the Commission's focus on digital competences and skills, but calls on the Commission to better distinguish between technical and social competences, although both are of vital importance. Additional efforts need to be made and the means for the digital training of members of socially vulnerable groups must be provided.

1.8. Europe's digital future based on a human-centred approach will only be successful if people can have trust. The EESC notes that the Commission intends to make a clear distinction between high-risk applications, which should be subject to strict regulation, and low-risk applications, where it is sufficient to rely on self-regulation and market mechanisms. The EESC welcomes this general approach, but also emphasises that a detailed and thorough analysis of the various applications is needed.

1.9. The EESC also welcomes the human-centred approach when it comes to challenges arising from online platforms for workers. An enhanced legal framework that would prevent precarious working conditions and ensure workers' rights online, including collective bargaining, is one of the important aspects of that approach.

1.10. The EESC feels that the development of digital public services for the digital future has not been covered, especially as cross-border e-government services could strengthen the (digital) single market and improve public regulation and coordination.

1.11. With the recent — and ongoing — COVID-19 coronavirus pandemic, society has been facing a reality check as regards the use of digital technology and this has posed many new challenges. The need to communicate, study and work remotely has shown that many people are not adequately prepared for the effective use of up-to-date digital technologies, nor is the digital infrastructure capable of ensuring equal access and inclusive participation via digital technologies.

1.12. The need to change habits because of the measures national governments have taken to counter the spread of COVID-19 might have long-lasting effects on consumer practices and work relations in the long term. The positive and negative effects of this change need to be taken into account when developing new policies in that connection. The digital transformation should be monitored through a comprehensive and EU-funded, work-oriented research initiative on 'digitalisation for decent work'. The EESC is convinced that only with efficient and employee-friendly design of Industry 4.0 systems will digitalisation be successful in the long term ⁽¹⁾.

2. Introduction and gist of the communication

2.1. With this Communication, the new Commission presents an umbrella document describing a series of initiatives to help shape Europe's digital future. The need for Europe to lead the just transition to a healthy planet and a new digital world requires that the challenges of green and digital transformation go hand-in-hand, so that digital technologies support the Green Deal with respect of the Sustainable development goals.

2.2. To this end, the Commission has announced a package of initiatives. The various initiatives presented and announced for this year and next are divided into three main pillars:

Technology that works for people:

- White Paper on Artificial Intelligence (COM(2020) 65 final/see INT/894),
- Strategy for quantum technologies, blockchain and supercomputing,
- Action Plan on 5G and 6G (presented as COM(2020) 50 final/see TEN/704),
- Digital Education Action Plan and a reinforced Skills Agenda,
- Initiatives to improve labour conditions of platform workers,
- Standards for secure and borderless public sector data flows and services.

⁽¹⁾ OJ C 190, 5.6.2019, p. 17.

A fair and competitive economy:

- European Data Strategy (presented as COM(2020) 66 final/see TEN/708),
- Review of the fitness of EU competition rules,
- Industrial Strategy Package,
- Communication on Business Taxation for the 21st century,
- New Consumer Agenda.

An open, democratic and sustainable society:

- New and revised rules to deepen the Internal Market for Digital Services,
- Revision of eIDAS Regulation,
- Media and audiovisual Action Plan,
- European Democracy Action Plan,
- European Cybersecurity Strategy,
- Initiative to develop a high precision digital model of Earth,
- A circular electronics initiative,
- Promotion of electronic health records.

2.3. In order to assert Europe's interests as a global player, a global strategy for digital cooperation and a standardisation strategy are also announced.

3. The European way — putting people at the centre of digitalisation

3.1. Digitalisation opens up a wealth of new decision-making options for people to live a better life in an unprecedented way. However, the more digitalisation affects our lives and the more interconnected we are, the more vulnerable we are to malicious cyber activity, manipulation and technologies that undermine our autonomy.

3.2. The EESC therefore advocates a European path to digitalisation, based on European values, by seizing the opportunities for the economy together with the protection of our data to ensure privacy and self-determination. The human-centred approach of all Commission initiatives is very much welcomed.

3.3 The EESC also welcomes the human-centred approach when it comes to challenges arising from online platforms for workers. An enhanced framework that would prevent precarious working conditions and ensure workers' rights online, including collective bargaining, is one of the important aspects of that approach. The EESC stresses that work on platforms is provided by self-employed people as well as by workers. The self-employed have a B2B or B2C relationship. Codes of conduct and trading terms for B2B relations, drawn up at European level, should provide fair competition between enterprises of all sizes and prevent bogus self-employment.

3.4. The EESC also stresses the importance of digital solutions for the implementation of the Green Deal, especially in relation to the circular economy. Energy consumption, raw materials for ICT and recyclability of ICT equipment are however among other challenges that need to be tackled along the way.

3.5. Europe is on the right track, but the story is far from over. The GDPR and the ethical guidelines for AI, for example, were an important step. But digitalisation is developing rapidly and European legislation must keep pace. It calls for a sound and ambitious regulatory framework, including legally binding ethical rules and clear rules on liability. The EESC is convinced that this dynamic development also calls for flexible and adaptable processes that require constant dialogue between the parties involved. The EESC, as the representative of civil society organisations, is ready to play its part in this.

3.6. The EESC is of the view that a clear emphasis on the need for sustainable democratic structures for capacity building and creating trust in labour relations is lacking. The EESC is convinced that fundamental changes in companies through digitalisation can only succeed if there is a relationship of trust between company management and employee representatives. However, the rise of populist movements in the 21st century questions the traditional forms of trust building through social advocacy. Appropriate measures must therefore be taken to support social dialogue at EU level. This is about social regulation in the company, its economic performance and the strengthening of democratic change in general.

4. A fair and competitive economy

4.1. Data has become a key factor in our economy. The EESC agrees with the Commission's view that we need to build a genuine European single market for data — a European data space based on European rules and values. The EESC welcomes the initiative for a new EU industrial strategy that will set out actions to facilitate the transition towards a more digital, clean, circular and globally competitive EU industry, including a strategy for SMEs.

4.2. The EESC also believes that in order to ensure a level playing field, rules applying offline — from competition and single market rules and consumer protection to intellectual property, taxation and workers' rights — should also apply online.

4.3. The EESC is convinced that a substantial increase in investment (in EU Member States) combined with a strong European research and innovation programme will be necessary to maintain a world-class level in High Performance Computing and that an industrial approach for developing the next generation of low-power microchips in Europe will make the EU less dependent on imports.

4.4. The EESC strongly believes that innovation and investment, especially public, can also help to tackle regional disparities in development if access to digital infrastructure, and thus to the digital market, is available in remote areas as well. This is a *conditio sine qua non* if no one is to be left behind in the digital transition.

4.5. The EESC emphasises that European technological sovereignty should not be defined in opposition to others and should not cancel out the benefits of global cooperation. However, the needs of Europeans and of the European social model must also be properly taken into account, taking as a reference point the measures of the EU Commission to strengthen the EU pillar of social rights. The application of European values (data protection, privacy, social protection, sustainability) could become a competitive advantage if there is growing awareness on the part of the public and businesses of the data methods used by third parties (the US) and the surveillance potential of digital systems (China).

4.6. The Commission rightly states that we must ensure that the systemic role of certain online platforms and the market power they acquire will not jeopardise the fairness and openness of our market. To that end and also to stimulate the development of online platforms in the EU, rules at EU level should ensure a level playing field and access to the main drivers of digital innovation ⁽²⁾ (in particular data) and to the ecosystem of products used by consumers.

4.7. The Commission states that ensuring fairness in the digital economy is a major challenge. Ensuring it is however of the utmost importance. To that end the EESC supports the intention to establish additional rules when needed to ensure contestability, fairness and innovation and the possibility of market entry, as well as public interests that go beyond competition or economic considerations. The EESC notes that taxation in the digital economy will have an important impact in that regard. International and European solutions as regards digital taxation will be important and the EU should strive for digital taxation that is fair and prevents fragmentation and unilateral measures.

⁽²⁾ De STREEL, A., *Contribution to Growth: European Digital Single Market. Delivering improved rights for European citizens and businesses*, European Parliament, Luxembourg, 2019.

4.8. The EESC welcomes the initiative, which aims at improving the labour conditions of platform workers, notably by focusing on skills and education; however, challenges that include employment status, representation and steps to increase the social protection of platform workers, as well as dispute resolution and the enforcement of rights, will also have to be addressed along the way. This is especially relevant for cross-border workers. Following a request by the upcoming German presidency of the Council, the EESC will work on an exploratory opinion on decent work in the platform economy.

4.9. In the Commission communication, the EESC feels that the development of digital public services for the digital future has not been covered, especially as cross-border e-government services could strengthen the (digital) single market and improve public regulation and coordination.

5. Education in preparation for a digital life

5.1. Education and training that provide digital skills are the key to being prepared for a digital life. The EESC welcomes the Commission's focus on digital competences and skills, but calls on the Commission to better distinguish between technical and social competences, although both are of vital importance. Creating 'workability' — instead of only adjusting 'employability' — requires measures for continuing support of life-long learning.

5.2. Technical skills (programming at different levels) will be required for most professionals in the future. This is a challenge for education systems and vocational training organisations in the Member States. Professionals need to be trained in new tools and they need to be aware of the characteristics, limits and risks, because they are ultimately responsible. Nevertheless, at least basic technical skills will have to be acquired by as many citizens as possible in order to understand, use and engage with digital technologies and tools in a productive, inclusive and safe way. Basic technical skills are necessary to support people of all ages, but especially older people, so that they can understand and safely use digital technologies and tools.

5.3. Social skills do not require particular technical knowledge, but they should be taught at the earliest possible age. Social skills enable children, consumers and citizens to understand the background of digital systems and make the best use of them. They help to identify possible threats from manipulation or crime and to assess the flood of information received. The EESC recalls that general education is still the best preparation for future developments.

5.4. Special skills, knowledge and awareness are required to use and work with artificial intelligence. To this end, the EESC would like to draw on Finland's experience, which proposes to train as many people as possible in the field of AI via an online course.

5.5. As the EESC has stressed previously, in the rapidly changing times of the digital era, merely helping individuals to acquire a minimum set of skills is not enough and it is crucial to ensure that the Skills Guarantee becomes a guaranteed pathway that enables and encourages people to advance further and reach the highest achievable level of skills⁽³⁾.

5.6. The EESC reiterates the role of the social partners in achieving fair and just transition. It is essential that the strategy anticipate skills needs and thus also support timely and appropriate reskilling and upskilling. The role of the social partners and their involvement is of utmost importance in that regard, as it is also when discussions on the introduction of new technologies are taking place.

6. Confidence and responsibility — trust in digital life

6.1. Europe's digital future based on a human-centred approach will only be successful if people can have trust. The EESC calls for appropriate safeguards on privacy, safety and data governance, and, finally, transparency of AI algorithms, that would help gain that trust.

⁽³⁾ OJ C 173, 31.5.2017, p. 45.

6.2. The EESC notes that the Commission intends to make a clear distinction between high-risk applications, which should be subject to strict regulation, and low-risk applications, where it is sufficient to rely on self-regulation and market mechanisms. The EESC welcomes this general approach, but also emphasises that a detailed and thorough analysis of the various applications is needed today and for future developments and when in doubt, applications should be considered as high-risk. The EESC supports in particular the decision to classify as high-risk applications those that have an impact on the rights of workers and job applicants and proposes to ring-fence this decision in order to strengthen the digital rights of employees.

6.3. The EESC has already called for the development of standard test procedures to assess the functionality and limitations of digital systems (e.g. bias, prejudice, discrimination, resilience, robustness, safety, etc.). Depending on the level of risk, such tests can be carried out by developers and companies themselves or by test procedures from independent institutions. The EESC welcomes the Commission's idea of providing for a voluntary labelling system, similar to what the EESC has previously proposed regarding a European certificate for trustworthy AIs.

6.4. The EESC welcomes the Commission's intention to launch a broad debate about the exceptions under which facial recognition for remote biometric identification can be allowed. Regulations should also prohibit disproportionate surveillance at the workplace and discrimination based on biased algorithms.

6.5. The EESC stresses that trust alone is not enough; critical thinking based on general education remains essential. This is particularly important in the context of dealing with disinformation, which is a threat to our democracy.

6.6. The EESC emphasises that trust also includes compliance with employees' rights to be informed and consulted. Information and consultation rights in the event of changes in the workplace, as guaranteed by the EU treaties, transform 'employees' into 'citizens at work'.

6.7. The EESC stresses that EU legislation is particularly important for the protection of consumers and employees who do not have professional digital skills.

7. Impact of COVID-19 crisis on digital transformation

7.1. With the recent — and ongoing — COVID-19 coronavirus pandemic, society has been facing a reality check when it comes to the use of digital technology and this has posed many new challenges. The need to communicate, study and work remotely has shown that many people are not adequately prepared for the effective use of up-to-date digital technologies, nor is the digital infrastructure capable of ensuring equal access or inclusive participation via digital technologies. Digital networks have not been scaled up to cope with the increased load, and sufficient investments will have to be made to make high speed and efficient communication accessible not only for commercial purposes but also for private life, even in remote areas.

7.2. Special attention will have to be paid to vulnerable groups. Especially older people who do not have enough skills, experience or even hardware to use internet platforms have been left without convenient means for communication. It has made social contacts between family members and others more difficult and social and other public services unavailable or at least less readily available to them. Additional efforts need to be made and the means for the digital training of members of socially vulnerable groups have to be provided.

7.3. Furthermore, quarantine and temporary border closures between Member States have shown that there are some other implications and shortcomings relating to the current state of affairs in the digital single market when it comes to frontier workers and teleworking. The COVID-19 crisis has also led to a huge increase in e-commerce and cashless payments, along with a rise in unfair and fraudulent practices. The need to change habits because of the measures national governments have taken to counter the spread of COVID-19 might have long lasting effects on consumer practices and work relations in the long term. The positive and negative effects of this change need to be taken into account when developing new policies in that connection.

7.4. The digital world has been fully mobilised to provide expertise in the fight against COVID-19. The issue of digital tracking applications (contact tracing) to inform people that they have been in contact in the past few days with someone diagnosed with COVID-19 has been the subject of much discussion. The EESC regrets that the European initiative for the digital monitoring of these contacts, known as PEPP-PT (Pan European Privacy Preserving Proximity Tracing), has not resulted in a consensus that would have allowed standardised applications to be included in national health strategies.

Brussels, 16 July 2020.

The President
of the European Economic and Social Committee
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